



News From:

U.S. Congressman John B. Larson

serving Connecticut's First District

106 Cannon Office Building
Washington, D.C. 20515

221 Main Street
Hartford, CT 06106

FOR IMMEDIATE RELEASE

January 29, 2009

CONTACT: Emily Barocas

202.225.7295

LARSON INTRODUCES LEGISLATION TO EXAMINE CAUSES OF FINANCIAL DOWNTURN

Washington, DC - This week, Congressman John B. Larson (*CT-01*), Chairman of the House Democratic Caucus, introduced legislation that would create a commission to investigate the true causes of the economic crisis our country is suffering through.

Congressman Larson said, **"We have been addressing the symptoms of our financial crisis rather than curing the disease because we don't have a good diagnosis. The American people have lost their homes, jobs and health care as this recession has hit communities across the country. Journalists, pundits, lawmakers, and most importantly the American people have all raised the question of how we got here. We must answer those questions."**

This legislation is a major step forward. It would create a nonpartisan, congressionally appointed commission to determine what caused this financial crisis and what can we do to keep it from happening again. The commission would report back to Congress within 90 days on the tax ramifications of the current crisis, and the legislative and oversight environment that led to it.

It would look, for example, at the regulation of the derivative markets and mortgage-backed securities to determine if they are regulated properly and if complex and unstable financial products like these make us vulnerable in a global economy. It would investigate the effectiveness and transparency of our regulatory agencies, the Securities and Exchange Commission (SEC) and the Commodity Futures Trading Commission (CFTC).

Larson said, **"Did our regulatory agencies turn a blind eye to market manipulation and unethical behavior? Are new markets being monitored with outdated regulation? These are all questions the Commission would answer."**

The Commission would also advise lawmakers on the content of an **"investors' bill of rights** that could then be turned into legislation. It would protect average Americans' 401(k)s, pensions and savings from corporate greed and mismanagement.

The ultimate goal of the Commission is not just to provide legislative suggestions, but also ideas to reform the culture of American business.

Larson said, **"I would involve top executives in the process, so that they can take the lessons learned back to their companies and change the way business in this country is done."**

The legislation has been referred to the Ways and Means Committee of which Congressman Larson is a member and the Financial Services Committee.

###